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SUBJECT: MEDIA REACTION: RUSSIA, ISRAEL, U.S.-CHINA RELATIONS

Editorial Quotes

¶1. RUSSIA

"The conflict is on a downward spiral, even though the conflict took a briefly positive turn"

The official Communist Party People's Daily (Renmin Ribao)(01/14): "If Russia wants to transfer gas into Europe, it must transport gas through the Ukrainian border. However, Ukraine has not opened its borders, and therefore, Russia is not able to transport gas into Europe. Thus, the Ukraine-Russia conflict, which has lasted nearly a month and a half, has taken a downward turn. The EU is urging discussions between Russia and Ukraine. They must find a resolution that all parties will accept. The current natural gas price and cross-border fee issues have yet to be resolved. If the transportation guarantee issue is left unresolved, the Ukrainians will lose valuable negotiation leverage. For this reason, Ukraine will not compromise on the issue."

¶2. ISRAEL

"Palestine-Israel conflicts will test Obama"

The official Communist Party People's Daily (Renmin Ribao)(01/14): "The huge humanitarian disaster caused by the Palestine - Israel conflict has aroused heightened attention within the international community. This important international crisis will become the first that Obama will need to face as soon as he takes office. This conflict is likely to directly challenge Obama's ability and wisdom in dealing with an international crisis. Israel's timing to launch such a large scale strike shows that it worries about Obama: first, Obama is less pro-Israel than Bush. Second, Israel has many doubts about the new U.S. Middle East policy. Third, Obama's adjustment to diplomacy and security policy contradicts with Israel's interests. In fact, the conflict is a challenge to the U.S. Middle East policy. Once Obama steps into office, he can't avoid stating his position on the Israel issue."

12. U.S.-CHINA RELATIONS

"The U.S. exaggerates the poisonous effects of Chinese building materials" $\,$

The official Communist Party international news publication Global Times (Huanqiu Shibao)(01/14): "A person in Florida has recently accused China on the grounds that China-made plasterboard (a building material) has a toxic smell and burns electrical wires. Many Americans worry that China's 'poisonous wall' will only make the real-estate market downturn worse. Chinese experts indicate that, since the bad-quality of certain Chinese products has been publicized, the public easily blames China on all related issues. However, this incident is still under investigation and it is unfair and irresponsible to point-the-finger at China as the responsible party. When the global economy is not well, the 'bad-quality' of

Chinese products is easily exaggerated. Chinese companies should be prepared for this situation. The Chinese toy incident is one example. During this incident, the American media directed blame towards China. However, through a forward thinking investigation, people finally discovered the critical problem was the American toy company's design of the toys.... Toying with trade protectionism during the financial crisis will likely harm the U.S. economy."

RANDT